

# **EXHIBIT A**



12	\$1,383.96	Day 08 of each month thereafter.
12	\$1,348.31	Day 08 of each month thereafter.
12	\$1,314.21	Day 08 of each month thereafter.
12	\$1,281.67	Day 08 of each month thereafter.
240	\$1,250.73	Day 08 of each month thereafter.
"e" means an estimate		

**Assumption:** Someone buying your home cannot assume the remainder of the mortgage on the original terms.

**YOU ARE GIVING US A SECURITY INTEREST IN THE REAL PROPERTY AS DESCRIBED IN THE DEED OF TRUST AND LOCATED AT:**

300 NEWT GULCH RD  
WILDERVILLE, OR 97543

**Late Charge** If your monthly installment is not paid in full within 15 day(s) after it is due, you will be charged a late charge equal to 5% of the unpaid amount of the monthly installment.

**Prepayment** You may prepay your loan in full or in part at any time. If you pay off your loan early, you may have to pay a penalty and you will not be entitled to a refund of that part of the Finance Charge consisting of any prepaid finance charges.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

**The Settlement Statement provides your disbursements and the itemization of the Amount Financed.**

The figure disclosed in the Annual Percentage Rate box on page one is a composite Annual Percentage Rate which reflects the effect of the various interest rate reductions over the term of your loan. Your payment schedule assumes that all payments are received on the due date. See the "Adjustment to Contract Rate (Pay Right Rewards Program)" section of this agreement.

#### **ABOUT THE SECURITY:**

##### **Your Obligation to Insure**

You shall keep the structures located on the real property securing your loan insured against damage caused by fire and other physical hazards, name us as a loss payee and deliver to us a loss payable endorsement. If insurance covering the real property is canceled or expires while your loan is outstanding and you do not reinstate the coverage, we may obtain, at our option, hazard insurance coverage protecting our interest in the real property as outlined below.

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**Real Property Taxes and Homeowners Insurance**

Homeowners Insurance covering fire and other hazards on the real property security is required, naming us as a loss payee for the term of your loan. You shall pay us on the day that monthly installments are due under this agreement, an additional sum (the "Funds") to be used to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over the Deed of Trust as a lien or encumbrance on the real property; (b) leasehold payments or ground rents on the real property, if any; (c) premiums for any and all insurance required by us under this agreement and the Deed of Trust ("Escrow Items"). You will pay us the Funds for Escrow Items unless we waive your obligation to pay the Funds for any or all Escrow Items. We may waive your obligation to pay us Funds for any or all Escrow Items at any time. Any such waiver must be in writing. In the event of such waiver, you will be solely responsible for paying the amounts due for any Escrow Items directly and, if we require, you shall furnish us with receipts evidencing such payment within such time period as we may reasonably require.

**Title Insurance**

Title insurance on the real property security is required, naming us as a loss payee. You must purchase title insurance or its local equivalent protecting our lien on the real property as a condition to obtaining your loan. You may purchase title insurance from any title insurance provider you choose that we reasonably believe provides sufficient financial protection to us. You request such title insurance and authorize us to deduct the costs of the title insurance from your loan proceeds in order to pay the title insurance provider.

**Lender's Right to Place Hazard Insurance**

Unless you provide us with evidence of the insurance coverage as required by our contract or loan agreement, we may purchase insurance at your expense to protect our interest. This insurance may, but need not, also protect your interest. If the collateral becomes damaged, the coverage we purchase may not pay any claim you make or any claim made against you. You may later cancel this coverage by providing evidence that you have obtained property coverage elsewhere. You are responsible for the cost of any insurance purchased by us. The cost of this insurance may be added to your contract or loan balance. If the cost is added to your contract or loan balance, the interest rate on the underlying contract or loan will apply to this added amount. The effective date of coverage may be the date your prior coverage lapsed or the date you failed to provide proof of coverage. The coverage we purchase may be considerably more expensive than insurance you can obtain on your own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.



**ABOUT YOUR LOAN REPAYMENT:**

SCHEDULED MATURITY DATE	03/08/2037	PREPAID FINANCE CHARGES	\$10,721.02
MONTHS OF CONTRACT	360	PRINCIPAL	\$210,720.35
CONTRACT RATE (per year)	8.550%		
AMOUNT FINANCED	\$199,999.33		

**Promise to Pay**

You agree to the terms of this agreement and promise to pay us the principal (Amount Financed plus prepaid finance charges consisting of Origination Fee/Points, Closing Fee and Tax Service Fee) plus interest which is computed at a rate of 8.550% (the "Contract Rate"). You agree to pay us in monthly installments as stated in the Payments provision of this agreement. You also agree to pay us: (a) other charges as provided in this agreement; (b) credit insurance charges, if any; (c) collection costs permitted by applicable law, including reasonable attorneys' fees otherwise due under your Deed of Trust and (d) any other charges reflected in your settlement statement.

**Interest**

Interest will be charged on the unpaid principal until the full amount of principal has been paid. You will pay us interest at a yearly Contract Rate of 8.550%.

The interest rate you will pay will change in accordance with the "Adjustment to Contract Rate (Pay Right Rewards Program)" section of this agreement.

The interest rate required by this provision (and the Adjustment to Contract Rate [Pay Right Rewards Program] provision of this agreement) is the rate you will pay both before and after any default as described in this agreement.

**Payments****Time and Place of Payments**

You will pay us principal and interest by paying your monthly installments.

You will make your monthly installments to us on the same day of each month beginning on or about 04/08/2007. You will make these monthly installments every month until you have paid all of the principal and interest and any other charges described herein that you may owe under this agreement. Your monthly installments will be applied to interest before principal. If, on the Scheduled Maturity Date, 03/08/2037, you still owe amounts under this agreement, you will pay those amounts in full on that date, which amount will include interest at the then current Contract Rate or any such other rate as required by law.



You will make your monthly installments at the address shown on page one or at the address shown on your monthly billing statement or at a different place that we may give you.

#### **Amount of Monthly Installments**

Your initial monthly installment will be in the amount of \$1,627.74, plus the amount of any optional insurance or funds for escrow you elected. Your monthly installment amount will change if the interest rate that you must pay changes. We will determine your new interest rate and the changed amount of your monthly installment in accordance with the Adjustment to Contract Rate (Pay Right Rewards Program) provision of this agreement.

#### **Adjustment to Contract Rate (Pay Right Rewards Program)**

The Contract Rate of 8.550% will decrease by 0.30% beginning with the thirteenth (13<sup>th</sup>) month after every twelve (12) consecutive monthly periods where all monthly installments were made in full within 30 days of their due date. Up to a maximum of 10 Contract Rate reductions are available during the term of your loan. For each Contract Rate reduction, the monthly installment will be reduced accordingly. Notwithstanding anything to the contrary in this paragraph, you will not receive any Contract Rate reductions or the reduced monthly installment after 24 periods of delinquency. A "period of delinquency" is defined as any monthly installment that is received more than 30 days past its due date. Consecutive monthly installments received more than 30 days past their respective due dates each count as separate periods of delinquency.

#### **Prepayment**

Subject to the prepayment penalty described below, you may prepay your loan in full or in part at any time. If you pay off your loan early, you may have to pay a penalty and you will not be entitled to a refund of that part of the Finance Charge consisting of any prepaid finance charges.

#### **Prepayment Penalty**

Your loan contains a prepayment penalty. If you prepay the entire outstanding balance of your loan at any time within 24 months of the Date of Loan, 03/08/2007, you agree to pay a prepayment penalty equal to 6 months interest calculated at the Contract Rate in effect at the time of prepayment on the unpaid principal balance. No prepayment penalty will be imposed: (a) if your loan is refinanced by another loan with us; (b) after 24 months; (c) if your loan is prepaid from the proceeds of any insurance; or (d) if we sue you. Additionally, no prepayment penalty will be imposed if you pay the entire outstanding balance of your loan as the result of the sale of the property securing the loan. You must provide us with documentation acceptable to us verifying the sale of the property.

The principal balance of your loan is \$210,720.35. The amount financed of your loan is \$199,999.33. If the loan is paid off immediately after your right to cancel expires, the maximum prepayment penalty assessed on your loan would equal \$9,008.29.

#### **Late Charge**

If your monthly installment is not paid in full within 15 day(s) after it is due, you will be charged a late charge equal to 5% of the unpaid amount of the monthly installment.

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<b>Bad Check Charge</b>	You agree to pay \$25.00 each time any check or payment is made on your loan by any means, including but not limited to, a check or ACH (our Authorization to Debit Account), which is returned unpaid by your bank or other financial institution for any reason.
<b>Additional Charges</b>	You agree to pay any amounts actually incurred by us for services rendered in connection with the opening and servicing of your loan, as allowed by law. These amounts may include fees for appraisals, title examination, title insurance or its local equivalent, fees and taxes paid to public officials in connection with recording, releasing or satisfying the Deed of Trust and other taxes as shown in the Settlement Statement incorporated herein by this reference. You also agree to pay any other amounts incurred by us in connection with the servicing of your loan including any amounts that we may (but need not) pay or that are otherwise due under the Deed of Trust, incorporated herein by this reference.
<b>Default</b>	If you fail to make any monthly installment after it becomes due or fail to comply with the terms of the Deed of Trust, we may require that you pay us, at once and without prior notice or demand, the unpaid balance of your loan plus accrued interest and any applicable charges in this agreement as authorized.
<b>Security Interest</b>	You agree to give us a security interest in the real property as described in the Deed of Trust.

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#### ABOUT OUR RELATIONSHIP:

<b>Exchange of Information</b>	You understand and agree that we will call you from time to time to discuss your financial needs and any loan products that may be of interest to you as may be permitted by applicable law. For more information regarding our privacy practices, please refer to our Privacy Statement, which is included with your loan documents. You agree that the Department of Motor Vehicles (or your state's equivalent of such department) may release your residence address to us, should it become necessary to locate you.
<b>Credit Bureau Reporting</b>	If you fail to fulfill the terms of your loan, a negative report reflecting on your credit record may be submitted to a Credit Reporting Agency.
<b>Telephone Monitoring</b>	You agree that we may listen to and/or record telephone calls between you and our representatives for quality assurance purposes.
<b>Insurance</b>	Credit insurance is optional. Any applicable insurance disclosures are included with this agreement and are incorporated herein by this reference.
<b>Alternative Dispute Resolution</b>	The terms of the Arbitration Rider signed by you as part of your loan transaction are incorporated herein by this reference.
<b>Applicable Law</b>	The terms and conditions of this agreement will be governed by the laws of Oregon, including but not limited to Section 82 ORS.

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If this loan is a first mortgage, it is a federally related loan made at an agreed rate authorized by Section 501(a), Part A, Title V, Public Law 96-221, also known as Section 1735f-7(a), Title 12, United States Code.

If any provision of this agreement is finally determined to be void or unenforceable under any law, rule, or regulation, all other provisions of this agreement will remain valid and enforceable. Our failure to enforce any provision(s) to this agreement shall not be deemed to constitute a waiver of such term(s). In order for any amendment to this agreement to be valid, it must be agreed to by you and us.

You acknowledge that before signing this agreement, you have read and received this agreement which includes the Federal Truth-In-Lending disclosure and, as applicable, any other riders and/or disclosures incorporated herein by reference. By signing below, you agree to observe the terms and conditions of this agreement.

#### NOTICE TO THE BORROWER

Do not sign this loan agreement before you read it. This loan agreement provides for the payment of a penalty if you wish to repay the loan prior to the date provided for repayment in the loan agreement.

Borrower: Denise M. Cook Date: 3-8-07  
DENISE M. COOK

Borrower: Kenneth L. Cook Date: 3-8-07  
KENNETH L. COOK

Witness: Steve Michaels

